

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA) Criminal No. 21cr10082
v.)
KEVIN NEWMAN,) Violation:
Defendant) Count One: Tax Evasion
) (26 U.S.C. § 7201)
)
)

INFORMATION

At all times relevant to this Information:

General Allegations

1. The defendant, KEVIN NEWMAN (“NEWMAN”), was a resident of Auburndale, Massachusetts and was the owner and operator of Kevin Newman Landscape and Tree Inc. (“KNLT”).

2. KNLT was a Massachusetts corporation that provided landscaping and patio construction services.

3. The Internal Revenue Service (“IRS”) was an agency of the United States within the Department of the Treasury of the United States and was responsible for administering the tax laws of the United States.

The Federal Tax Requirements

4. The tax laws of the United States require that individuals who receive gross income in excess of a minimum filing amount established by law for a particular calendar year must file an income tax return for that calendar year.

5. Individual taxpayers generally are required to accurately report each year to the IRS their income, from whatever source derived, and attendant tax obligations on a Form 1040, U.S. Individual Income Tax Return. The IRS uses Form 1040 to assess taxpayers' tax liability. NEWMAN and his spouse annually filed Forms 1040 as a married couple filing jointly.

6. NEWMAN operated KNLT as a C-Corporation. For federal tax purposes, C-Corporations are taxed at the corporate level and required to file their own corporate income tax returns using IRS Form 1120 Corporate Income Tax Return. Any income that is unreported by the corporation and received by an owner would also be taxed as income to the owner.

Tax Evasion

7. For at least the tax year periods ending on February 28, 2015 through February 28, 2019 (fiscal years for KNLT), NEWMAN willfully underreported income and inflated expenses on the corporate tax returns filed by KNLT. For calendar years 2014 through 2018, NEWMAN also willfully underreported his income on his personal tax returns.

8. In his corporate tax filings for tax year periods ending on February 28, 2015 through February 28, 2019, NEWMAN verified and caused IRS Forms 1120 to be filed on behalf of KNLT. NEWMAN also verified and caused IRS Forms 1040 to be filed in his name and on his behalf for calendar years 2014 through 2018.

9. The IRS Forms 1040 for each of the calendar years 2014 through 2018 and the Forms 1120 for each of the tax year periods ending on February 28, 2015 through February 28, 2019 that were verified by NEWMAN contained declarations, under penalty of perjury, that the information submitted to the IRS was true, correct and complete.

10. For at least the tax periods ending February 28, 2015 through February 28, 2019, NEWMAN intentionally failed to report to the IRS, on the Forms 1120, approximately \$683,338 in gross income from KNLT and inflated his cost of goods sold by \$192,017, resulting in a total tax loss of approximately \$384,187.

11. For the calendar years 2014 through 2018, NEWMAN intentionally failed to report income from KNLT on his personal tax returns, Forms 1040, resulting in a tax loss of approximately \$142,520.

COUNT ONE
Tax Evasion
(26 U.S.C. § 7201)

The United States Attorney charges:

12. The United States Attorney re-alleges and incorporates by reference paragraphs 1-11 of this Information.

13. In or about June 2019, in the District of Massachusetts and elsewhere, the defendant,

KEVIN NEWMAN,

willfully attempted in any manner to evade and defeat income tax due and owing by him to the United States of America for the calendar year 2018, by committing the following affirmative acts, among others: preparing and causing to be prepared, and signing and causing to be signed, a false and fraudulent U.S. Individual Income Tax Return, Form 1040, which was filed with the Internal Revenue Service stating that his taxable income for the calendar year was \$156,940, and that the amount of tax due and owing was \$36,138. In fact, as he then and there knew, his taxable income for the calendar year was \$395,075, and the amount of tax due and owing was \$67,364.

All in violation of Title 26, United States Code, Section 7201.

/s/ Sara Miron Bloom

SARA MIRON BLOOM
ASSISTANT UNITED STATES ATTORNEY
DISTRICT OF MASSACHUSETTS

District of Massachusetts: March 15, 2021